

Wisconsin's Industry Partnerships

Regional Industry Partnership Basics in a Challenging Economic Environment

March 16, 2010

Presenter

Jack Mills, Director

National Network of Sector Partners



Who We Are

- **Insight Center for Community Economic Development**
 - National, nonprofit, research and consulting organization formed in 1969.
 - Mission: Helping people and communities become, and remain, economically secure.
- **National Network of Sector Partners**
 - Initiative of the Insight Center for Community Economic Development.
 - Membership organization of sector initiatives and their supporters, formed in 1999.
 - Mission: to encourage the use and effectiveness of sector initiatives as valuable tools for enhancing employment and economic development opportunities for low-income individuals, industries, and communities.

Presentation Topics

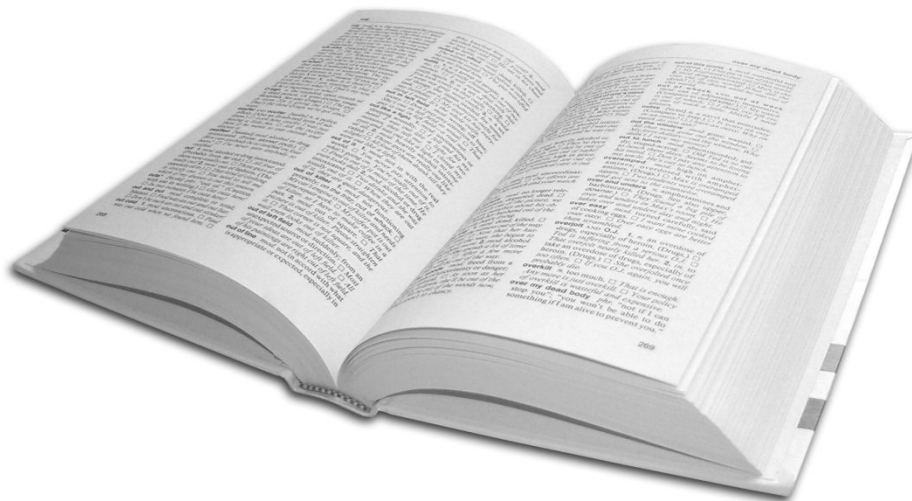
1. Overview
3. Training and Partnership Support
 - a. Intermediary and partner roles
 - b. Success factors (employers)
 - c. Success factors (workers)
 - d. Project management
 - e. Key start-up activities
 - f. Job creation
5. Sustainability/scaling up
 - a. Strategies in a challenging economic environment
2. Partnership Development and Implementation
 - a. Research, analysis, and design
 - b. Intermediary roles
 - c. Convening
 - d. Leaders and champions
 - e. Charter and MOUs
4. Systems change
 - a. Strategy
 - b. Examples



National Network of Sector Partners
Linking Industries, Communities and Workers

Industry Partnerships: *aka Sector Initiatives*

Industry-specific, regional partnerships that address employers' human resource needs and workers' needs for good jobs



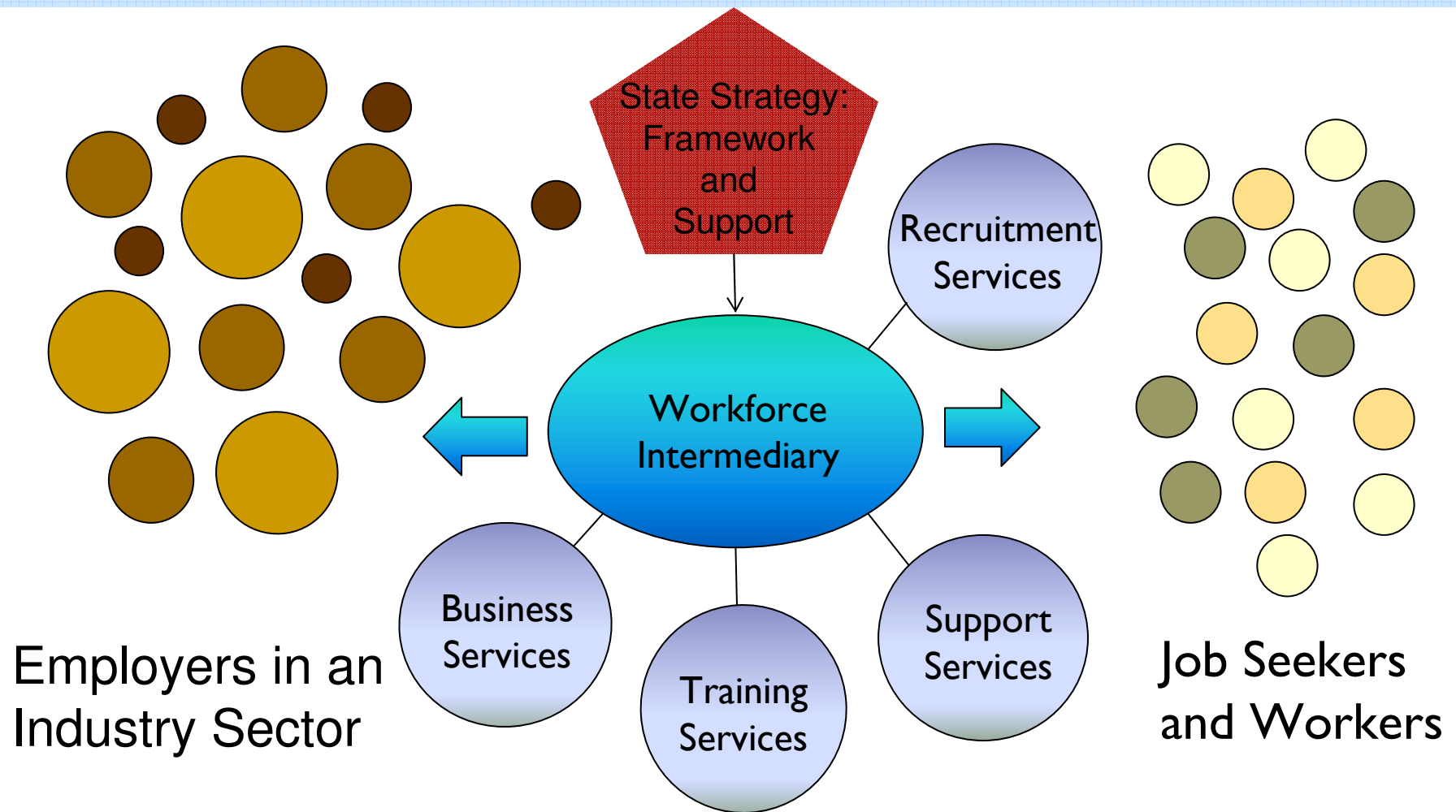
They connect and align workforce development, economic development, education, human services, etc.

They target public resources very effectively



National Network of Sector Partners
Linking Industries, Communities and Workers

Sector Initiative Model



Sector Initiative Characteristics

1. Focus intensively on an industry within a regional labor market, and multiple employers in the industry, over a sustained period of time
2. Are led by a workforce intermediary with credibility in the industry
3. Create new pathways for low wage workers into the industry, and up to good jobs and careers
4. Achieve systemic changes that are “win-win” for employers, workers, and the community.

How are sector initiatives different?

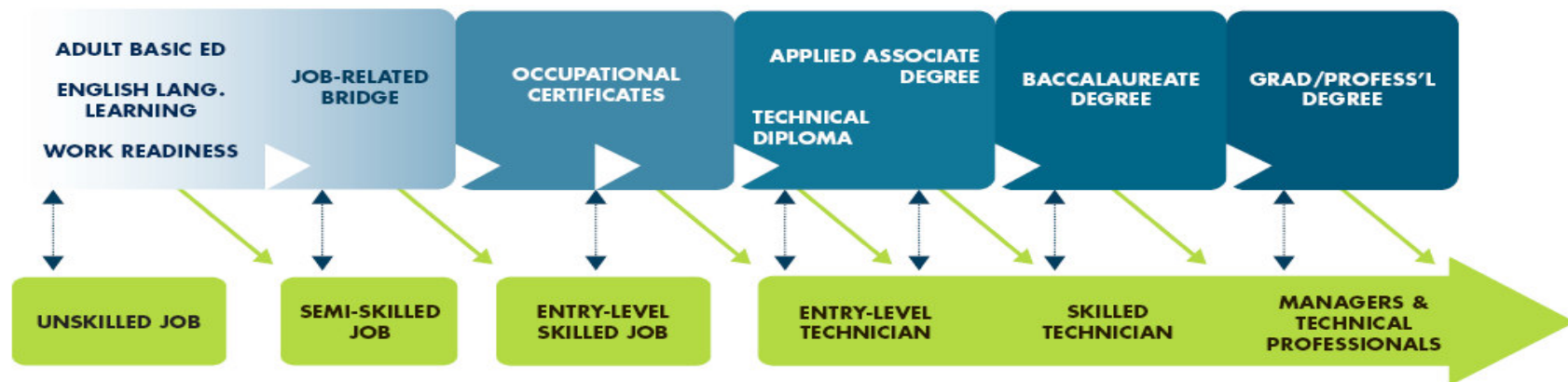
Traditional Job-Matching and Training Services	Sector Initiatives
Program/funding source oriented; “client” viewpoint	<u>Problem-oriented</u> : responsive to industry, worker & jobseeker needs
Work with employers individually	Work with <u>employers as a group</u>
Transactional: address needs of individual, a particular hire, etc.	<u>Relational</u> : sustained involvement over the long-term
Work in a governmental jurisdiction or service delivery area	Work in an <u>industry’s labor market</u>
Produce programmatic outcomes	<u>Produce programmatic outcomes and change the way systems work</u>



National Network of Sector Partners
Linking Industries, Communities and Workers

Industry Partnerships: What's Different in WI

CAREER PATHWAYS



Responsive skill development services. . . and more

Vision and plan for building a region's leadership framework

Goal: an education and training system -- responsive to and driven by the needs of workers and employers

NOT another new program. . . a new way of doing business

Systems Change Impact

Sector initiatives address key problems for:

- An industry's businesses
- The industry's workforce and/or potential workforce

By doing so, they gain leverage to make systems change in the areas of:

- Education/training, support services, and business services (both the services themselves, and the ways they partner/coordinate)
- Industry practice
- Public policy

Uses of Industry Partnership Funding

Public Funding: Examples

Partnership Development and Implementation

- Convening
- Research/analysis
- Strategic planning
- Solutions to workers' shared barriers to employment
- Solutions to employers' shared barriers to hiring and retaining qualified workers

Training and Partnership Support

- Trainee assessment
- Training that leads to employment and/or industry recognized credentials
- Career pathway training
- Support services for trainees
- Services that improve retention, productivity, advancement, etc.

Other sources: fees, LMP, federal, local, other state, foundations

Question: How flexible is your match funding?

Sector Initiatives: Structure

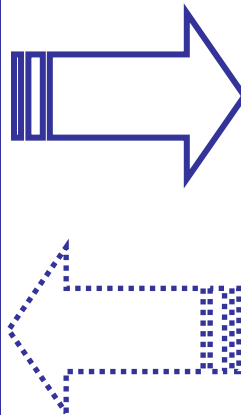
Focus:

An Industry within a Regional Labor Market

Management by a Workforce Intermediary
Services Delivered by Partner Organizations

Design/Development

- Convene partnership
- Conduct research
- Target occupations
- Design services
- Determine new needs
- Obtain start-up resources



Operations

- Provide programmatic services to workers and employers
- Coordinate activities to produce outcomes
- Obtain resources for sustainability and expansion
- Bring about system change



National Network of Sector Partners
Linking Industries, Communities and Workers

Research, Analysis, and Design

- Analyzing which sector/occupations
 - Importance of sector to regional economy
 - Demand – projected job openings, and percentage of good ones
 - Extent of skill development required for workers to get jobs; move up
 - Ratio of job openings at each career path step; reputation for mobility
- Analyzing which employers to work with, and how
 - Job quality (and value added for each full-time equivalent)
 - What keeps employer up at night
 - Culture – support for skill development and upward mobility
 - Importance of employer to sector's regional supply/value chain
- Other analyses: worker needs, potential union role, and capacity of service providers

Intermediary Roles: Development/Design

- Convene key industry employers and unions
- Convene key service delivery partners
- Work with employers & partners to set vision/mission
- Make analysis of secondary research available
- Manage primary research and analysis of it
- Work with employers, unions, and partners to design operations and systems change
- Manage development of start-up plan and raise funding for start-up and ongoing operations

Convening

Build relationships, increase understanding, get commitments . . .

It's not (mainly) about getting people to come to meetings

- **Employers**
 - Different size employers worry about different things
 - Discuss different topics with employer representatives at different levels
- **Unions**
 - Discuss what different groups of workers need, interest in participating in development of a regional leadership framework, a responsive system of education/training and support services, and related systems changes
- **Service delivery providers**
 - Discuss fit of organizational mission with employer and worker needs, interest in partnering to deliver services and bring about systems change

Explore resources employers, unions, and service delivery providers could provide

The Industry Partnership Leadership Group

Develop a core leadership group

- Need: several employers' executives to help develop the Industry Partnership, and work with others they might consider to be competitors
- Need: employers, service providers and other stakeholders who will work over multiyear period, devoting key staff and some direct resources, serve on working committees, and making potential policy and practice changes

Identify one or more champions to lead the initiative

- Need: project champions who are respected in the region

Develop a Charter and MOUs

Key charter provisions

- Vision, mission, goals, objectives, resources to support the initiative, intended outcomes, and measures of outcomes
- Who the sector initiative will benefit
- Who the partners are

Key Memorandum of Understanding provisions

- Sector initiative and partner responsibilities
- Resources the partner commits and resources the partner will be provided

Operations: Intermediary Roles

- Manage the financing of the initiative and coordinate resources
- Manage/coordinate the initiative's services and assure they meet needs; deliver some services if appropriate
- Monitor progress and ensure that services change in response to new needs and new conditions
- Bring about use of systems to coordinate and report on services and outcomes
- Stimulate systems change
- Market the sector initiative; publicize progress

Operations: Potential Partner Roles

- Provide accurate industry, worker, and job-seeker assessments, and other information
- Provide high-quality services that respond to sector employers' and workers' needs, and adapt them in response to changes in sector initiative strategy
- Bring about change in industry practice, institutions, and policy; implement practices to make systems changes that support sector initiative strategies
- Seek and contribute resources (funding; in-kind, staff)
- Help analyze progress and celebrate success
- Collaborate on data-driven learning and decisions

Operations: Roles of Employers and Unions

Employers (and industry associations)

- Leadership and governance
- Become deeply involved in services as the intermediary
- Champion/publicize the Industry Partnership
- Recruit employers

Unions

- Leadership and governance
- Become deeply involved services as the intermediary
- Provide information/analysis across multiple employers
- Recruit workers for Industry Partnership services

Labor Management Partnerships can play many of these roles

Operations: Roles of WIBs and Colleges

Potential WIB Roles

- Stimulate Industry Partnership
- Become deeply involved in the industry as the intermediary
- Manage intensive and training resources, One-Stop services, & contract services to support the Industry Partnership
- Provide a vehicle for financing; manage financing
- Develop supportive policies

Potential College Roles

- Stimulate Industry Partnership
- Become deeply involved in the industry as the intermediary
- Provide training needs assessment
- Provide training; develop career paths
- Provide a vehicle for financing; manage financing
- Develop supportive policies

Involving Business/Meeting Industry Needs

Success factors

- Deep knowledge of industry, its culture, and employers' needs
- Credibility with industry, or an effective strategy to gain it
- Entrepreneurial character
- Capacity to develop solutions for businesses & workers
- Meaningful measures of results, and effective ways to report
- Focus on quick response to changing industry needs
- Commitment to long-term involvement
- Governance that involves business leaders in key decisions

Recruiting Workers/Meeting Worker Needs

Success factors

- Deep understanding of workers' and job seekers' needs and perspectives
- Credibility with community leaders
- Effective communication vehicles
- Programmatic capacity to address specific needs regarding skill development and support services
- Influence to bring about systems changes that increase access and retention in programs and employment

Operations: Project Management

The project manager – key characteristics

- Commitment to the sector initiative's vision/goals
- Knowledge of the industry, and experience working with businesses
- Ability to manage a team, motivate partners, and bring them to understand that each partner's success depends on all the others' success
- Ability to develop schedules and budgets, and to use them as project management tools
- Entrepreneurial approach, and commitment to problem solving/continuous improvement

Key Start-up Activities

- Beginning services
 - Especially marketing, outreach, and recruitment
- Managing the service delivery system
 - Setting up processes for service delivery partners to work together; systems to support effective “hand-offs”
 - Setting up management information systems to track activities and outcomes
 - Trouble-shooting/continuous improvement
- Building traction/momentum
 - Focusing on early wins; communicating them to key audiences; sharing credit

Job Creation

- Know ways to reduce business expenses for businesses that want to create jobs
 - Examples: reduce turnover, reduce hiring costs (pre-screening), group health insurance, cross-training, skill development to eliminate bottlenecks and/or allow other employees to be more productive, reduce energy and other input costs, worker input to improve products/services, assistance with new market development
- Know about job creation resources
 - National, state, and local: examples include on-the-job training; wage subsidies; tax credits, exemptions, reductions, and deferrals; reduced-cost financing; public sector and business-to-business procurement
- Develop partnerships
 - Examples: economic development entities, financing sources, and business assistance entities

Systems Change – Strategy Steps

- Identify leverage points based on top employer, worker, and community concerns
- Analyze systems changes that can address concerns, and identify decision-makers
 - Determine how to use leverage points to bring about action – develop strategy for change, and action plan
- Obtain support of employer, union, and/or community champions
 - e.g., agreement to pilot changes, sustain/scale up based on success, or influence other decision-makers

Systems Change – Examples

- Industry
 - Improve work as a learning environment
 - Improved job quality
 - Career pathways that effectively support advancement
 - Reduction of turnover
- Services and the way they partner/coordinate
 - Improved quality, responsiveness, and coordination of services
 - Development of career pathways, bridge programs, chunking, stackable credentials, career/academic counseling, connection of support services
- Policy
 - Target services based on “tiers” related to job quality
 - Help employers and/or workers achieve Industry Partnership goals
 - Support Industry Partnerships

Sustainability and Scale-up

- Start right away in order to have post-grant funding
- Be very thoughtful about your business model
 - Consider likely long-run revenue level, limit fixed costs, seek more intensive use of existing capacity
- Leverage other resources
 - Be intentional about the fit of IP activities with employer and partner missions, current resources, and areas of desired growth
 - Make the case for other key stakeholders with resources (e.g, employers, unions and LMPs). Discuss “ownership”; seek commitments
- Position for potential new resources e.g., innovation funding
- Communicate impact to decision makers. Determine audience, tune message, identify influential people to carry it.

Resources

National Network of Sector Partners

www.nnsp.org

- Training and assistance
- Industry-specific peer learning
- Policy development assistance
- Resources and materials
- Etc.